played it claw-hammer style. But when Bill Monroe came along—Earl Scruggs developed a three-finger roll, which was very lively. That three-finger roll had a great deal to do with putting the stamp on the music as bluegrass music.

Monroe and the Blue Grass Boys continued to please crowds at the Opry through the 1950's, and, in the 1960's, they began to appear in auditoriums throughout the country. In 1970, Monroe was inducted into the Country Music Hall of Fame.

Bluegrass music is no longer confined to rural communities in the heart of the Appalachian States. Today, Bill Monroe's songs are not limited to public radio or the Nashville Network. The popularity of Bluegrass has expanded, and is now an internationally recognized and appreciated form of music. Monroe's legacy will endure through the sounds that he invented, and in the bands that play his songs. He was an innovative and very gentlemanly performer who was an inspiration to other musicians, especially to country musicians. And I am thankful to have had Bill Monroe as a friend. Although Bill Monroe will be missed dearly, his music and his legend will live on. His influence has forever changed the shape of the American music industry, and I know that his sounds will continue to reverberate throughout the Appalachian Mountains and through the hills and mountains and hollows of West Virginia and throughout the world for all years to come.

## SENATOR NANCY LANDON KASSEBAUM

Mr. BYRD. Mr. President, the sunlit, wind-tossed, rolling plains of Kansas have produced many leaders whose long vision and open minds have helped to shape this Nation. Senator NANCY LANDON KASSEBAUM is one of those leaders. Her three terms in the Senate have left an enduring legacy, one with roots as deep as the prairie grasses in the rich black Kansas soil and covering issues as diverse as the many-colored wildflowers nestled among those blades. The Senate has been enriched by her civil, thoughtful, presence.

Senator KASSEBAUM's political inclinations are strongly rooted in the Kansas earth. Her father, Alf Landon, a former Governor of Kansas, was nominated for President in 1936 to run against President Franklin Roosevelt. When Governor Landon died at age 100 in 1987, he had witnessed in his daughter's election to the Senate and her rise to prominence in this body a part of the quiet revolution in American society that brought women into so many new fields. First elected in 1978, Senator KASSEBAUM in 1994 became the first woman to chair a major Senate committee, the Labor and Human Resources Committee, since Senator Margaret Chase Smith of Maine led a special Committee on Rates of Compensation from 1953 to 1955.

Now, I had the great honor and privilege to serve with Margaret Chase Smith here in the Senate for a number of years, a woman whose declaration of conscience will always reverberate in this Chamber and will always grace the pages of the great RECORD of this Chamber's deliberations.

In the 104th Congress, Chairman KASSEBAUM—some would say ''chairwoman''—has addressed some of the most contentious issues debated in recent years, including health care reform, welfare reform, minimum wage increases, and striker replacement. Her fairness and her civility in dealing with these contentious matters has been matched by her tenacity and her resourcefulness in crafting legislation that can be passed by the Senate and signed by the President. I have not always agreed with her proposals—and she has not always agreed with mine—indeed, on many issues like the repeal of Davis-Bacon, on striker replacement, we have been on opposite sides of the issue. But I commend Senator KASSEBAUM for her willingness to tackle difficult issues and to propose sweeping overhauls of complex and overlapping programs, such as welfare, health insurance, Medicaid, and job training programs, and to do so with courtesy and affability and respect for the others' views. No one would ever underestimate the quiet strength of Senator KASSEBAUM's convictions on these issues, but everyone can always count upon her straightforward, mannerly, courteous approach to debate and compromise.

Senator KASSEBAUM has also chaired the African Affairs Subcommittee of the Committee on Foreign Relations. She was instrumental in both implementing a sanctions regime against the white apartheid government of South Africa and in lifting those sanctions, once a new government was installed. She has been a strong voice for tolerance and compassion in a part of the world all too often racked by violence and ethnic hatreds. It was for these noble reasons that she called in June, 1992, for the deployment of United Nations peacekeepers to Somalia, after visiting that strife-torn nation. She steadfastly spoke up for these humanitarian concerns, even as I led an effort to withdraw U.S. troops from Somalia as the situation there deteriorated, eventually resulting in the tragic loss of 18 U.S. military personnel. But in the final vote, acknowledging the reality that the United States public would not support committing still more military men and women to Somalia, a requirement if the humanitarian mission was to be carried out in relative safety, Senator KASSEBAUM voted for an orderly withdrawal from that sad nation.

One issue upon which Senator KASSEBAUM and I see eye-to-eye on is school prayer. Despite the differences in topography, Kansas and West Virginia share in their solid small towns and on the farms and among the country folk a closeness with the earth and a reverence for the deity, a reverence for the church and for the community. Senator KASSEBAUM offered an amendment in 1994 to withhold Federal funds from any local school district found guilty of willfully violating a court order to allow constitutionally-protected prayer. Her amendment passed overwhelmingly by a vote of 93 yeas to 7 nays.

Mr. President, Senator KASSEBAUM shares in the strength of her Kansas upbringing, the solid strength of her Kansas forbearers. She sets her eye on a distant legislative target and she plows a straight furrow toward it, undaunted by distance or by difficulty. She speaks plainly, softly, and honestly, preparing the seedbed of civil bipartisan compromise. She is willing to cross party lines to vote for programs that result in the greatest common good as she sees it. By her actions, she has shown herself to be concerned more about the future of the Nation than the future of partisan politics. Her twin strengths of perseverance and courtesy have earned for her the respect and the genuine admiration of her peers and of the Nation. It is these qualities that have been in short supply during the bellicose and often bitterly partisan past several years in the Senate, and which will be so sorely missed when she retires from office.

And so I thank NANCY KASSEBAUM for her service to the State of Kansas, to the Senate, and to the United States, and wish her well in her retirement. Senator KASSEBAUM has said that she wants to spend more time with her grandchildren. Robert Southey (1774–1843) wrote in the poem, the ''Battle of Blenheim'':

It was a summer evening,
Old Kaspar's work was done,
And he before his cottage door
Was sitting in the sun,
And by him sported on the green
His little grandchild Wilhelmine.

I hope that Senator KASSEBAUM, her battles in the Senate over, past, and done, may treasure the pleasures and joys of sporting in the Kansas sun with her children and their children.

I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SPECTER. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SPECTER. I thank the Chair. I note the change from Senator FRIST to you, Madam President, and so I address you properly as Madam President.

## DEFENSE BURDENSHARING

Mr. SPECTER. Madam President, I have sought recognition to report briefly on a trip which I made from August 16 through August 31 of this year. Madam President, the trip focused on a number of key items in my travels which took me to Korea, Japan, and

China, then to the Gulf States of Oman, Saudi Arabia, then to Israel and Syria, with a brief stop in Paris, and back to the United States.

One of the themes of concern to me, Madam President, was the issue of the enormous U.S. military expenditure, and the need to have burdensharing from our allies where we are maintaining so much of the cost of defense.

The Japanese are paying 70 percent of the cost. But it seems to me realistic that with their enormous gross national product, and their ability to pay their own defenses, that even 70 percent is not sufficient in the context of spending so little of their own money on national defense. The 70-percent figure is much larger than the moneys paid by the Saudis, where we have recently seen plans to move our base from Dhahran to the desert with a 50-percent sharing by the Saudis. But even there, when we are there to protect their interests and they are a very affluent nation, it seems to me that more ought to be undertaken by the Saudis. In South Korea, we have 37,000 American troops, and there have long been suggestions that some of those troops ought to be withdrawn.

South Korea, again, is a very prosperous nation. Some of their defense planning is long range, not on the immediate potential threat from North Korea. And there again, it would be reasonable to have more cost sharing by the South Koreans. I suggest that our defense policy ought to undertake a look globally beyond NATO as to burdensharing with the specific reference to Japan, South Korea, and Saudi Arabia.

During the course of travels, we also had a considerable focus on the nuclear threat, and, potentially, real problems in North Korea, where they have the wherewithal to have nuclear weapons, and where they have ballistic missiles which are reported to have sufficient thrust to reach Japan or Alaska, and far beyond.

The situation in North Korea is very unstable. I had hoped to visit North Korea personally, and had some preliminary indications, up to the start of the trip, that we could do so, but at the last minute we were told we could not visit North Korea.

The situation there is unstable because of the shortage of food, and I think that we have to engage the North Koreans. We have to do what we can to see that there is a stable government there. Assistance on food is elementary. Japan and South Korea are aiding. We are to some extent, but we have to keep a close watch on the volatility, and the potential instability in North Korea.

When we traveled to China, a key focus of attention was the trade issue, and we were told that trade is not calculated properly because of certain statistics coming from Hong Kong. But we made the point as emphatically as we could that there needed to be more reciprocity and more openness of the Chinese markets. We visited the city of Harbin in Manchuria and saw really great potential for American growth, the growth of American trade, meeting with United States businessmen in that community.

While in China, we also took up the issue of freedom of religion, noting the fact that Christians were not permitted to practice religion, and recent activities by the Chinese Government inhibited freedom of religion by Christians, and by Jews, and those with different religious views. We were assured, but I think vacuously, in their statements that there was freedom of religion, but the facts are very much to the contrary. And we asserted that point with some forcefulness.

We also took up the issue of the sale of M–11 missiles from China to Pakistan. We protested that very strongly. We were told by the Chinese that they had not violated international accords, and there again a stalemate in our discussions.

There is a real question as to how we deal with the Chinese, whether by sanctions or totally by diplomacy. My sense is we have to consider sanctions. With the Chinese destabilizing the subcontinent of Taiwan, firing their own ballistic missiles close to Taiwan, it seems to me that we have to be forceful and really consider the imposition of sanctions there.

Moving on to Saudi Arabia, we had an opportunity to view the Khobar Towers site at Dhahran, a subject I reported on briefly in a floor statement yesterday—an enormous tragedy, 19 Americans killed, hundreds wounded. Seeing the perimeter fence less than 60 feet from Khobar Towers, it was apparent, on a cursory inspection, that it was an open invitation to terrorism. As noted in my floor statement yesterday, it was my conclusion that there had been ample warnings about the potentiality of terrorists at the perimeter fence, and the possible use of a large bomb.

That is something that will be considered in greater detail by the Downing Task Force, but there is an urgent need for stepped-up force protection, certainly in places like Khobar Towers, and doubtless around the world considering the escalating threat of terrorism.

We had a chance to meet with Defense Minister Sultan, Crown Prince Abdullah, and urged cooperation with the Federal Bureau of Investigation on the inquiries to determine who the terrorists were at Khobar Towers, and reregistered our complaints that the FBI had not an opportunity to interview the four men who were executed for the November 13, 1995, car bombing in Riyadh, and raised the issue about the need for Saudi Arabia to undertake a greater share of the cost of the defense burdens.

Before arriving in Saudi Arabia, we made a brief stop in Mongolia, an independent nation, landlocked between China and Russia, quite a product of an emerging democracy, having thrown off the yoke of the Soviet Union even before its disintegration. There we saw an effort for democratic process succeeding in its embryo stage, and an effort for the free market.

Coming to the Mideast, we had an opportunity to confer with Prime Minister Netanyahu, Syrian President Assad, and Palestinian Chairman Arafat. There is obvious difficulty with the new government being beset by problems on all sides. We find disagreements within the Likud government, but it is my impression that Prime Minister Netanyahu is up to the challenge.

We had an extended discussion with Chairman Yasser Arafat, and I must say that every time I meet with Chairman Arafat, it is a wonder to me that we are doing business with a man who has had such a long record of terrorism. Going back to September 13, 1993, when then Prime Minister Rabin, and then Foreign Minister Peres shook the hand of Yasser Arafat, it seemed to me that if the Israeli leaders were prepared to do so, the United States should be supportive of their efforts toward the peace process. Certainly the Israelis have suffered the major burden of the terrorist attack by the PLO in the Mideast area.

In the conversations with Chairman Arafat, we discussed the resolution that Senator SHELBY and I had introduced, which was enacted, which conditioned U.S. aid on a change of the PLO charter. Chairman Arafat assured us it had been done. And when he produced the document, it was evident on its face that it was insufficient, the document saying merely that all provisions inconsistent with the September 13, 1993, agreement would be revoked. That is not sufficient, and we made that point as emphatically as we could.

We then talked about terrorism, and with Yasser Arafat, a man who has been on a first-name basis, and has dealt with the terrorists of the area, Abu Nidal, Abu Abbas and Hamas, and emphasized as strongly as we could the need for the Palestinian authority to be proactive in stopping terrorist attacks in that area.

Chairman Arafat assured us that he was doing what he could, emphasized the point that he himself was subject to terrorist assassination plots, and said that he would do what he could. But I think that is an area which requires increasing U.S. pressure. We need to be as emphatic as we can that if we are to continue United States military aid to the Palestinians, they are going to have to take effective action against terrorism.

Mr. President, in accordance with my practice to report on foreign travel, this floor statement summarizes a trip taken from August 16 through 31, 1996, to Asia and the Mideast, focusing on the North Korean threat, the question of sanctions against China for selling M–11 missiles to Pakistan and for firing a ballistic missile 100 miles from

Taiwan, the June 25 Khobar Towers bombing in Saudi Arabia, the Mideast peace process and terrorism, with a stop in Paris for discussions on terrorism and trade en route back to the United States.

We had hoped to visit North Korea to personally inspect the North Korean nuclear facility and to meet with North Korean leaders. But, despite several months of efforts, the North Koreans ultimately refused to allow my visit.

We were able, however, to discuss the North Korean situation with local American authorities and with leaders of North Korea's immediate neighbors: Japan, South Korea, and China. Specifically, we met with American military leaders, including our commanders in Japan and South Korea; Japanese, Korean, and Chinese foreign affairs and trade ministers; and with our ambassadors and embassy teams. We wanted to investigate not only the North Korean threat, but whether we should ask South Korea to shoulder a larger share of the defense burden—no small matter when we face deficits and difficult domestic spending cuts.

Upon arrival in Japan on the evening of August 18, we met with Marine Brig. Gen. Terrance Murray, deputy commander of United States forces in Japan. I continued my discussion with General Murray and his top aides the next morning, focusing largely on the North Korean threat and the allocation of United States resources in Japan. It struck me that our arrangement with Japan, in which the Japanese Government pays 70 percent of the cost of United States forces in Japan, offered a model for renegotiating with South Korea, and our costs in defending Saudi Arabia. When dealing with such prosperous nations, there is no reason why they should not pay the full cost of their own defense.

Following our second meeting with General Murray, we met with Rust Deming, our Chargé d'Affaires, and the Embassy team in Tokyo. We agreed that Congress should focus on unfair trade practices in Japan that cost American companies millions of dollars and American workers tens of thousands of jobs. By demonstrating sustained interest in trade issues, and by more congressional visits to Japan, we can send Japan a message that the United States has staying power.

Mr. Deming and his team of issues experts discussed how American companies find themselves competing for a small portion of various Japanese markets, or find themselves shut out entirely, as networks of Japanese firms buy only from each other, while enjoying the profits as American firms buy from them. We do not even have the recourse of some developing nations, which are allowed under GATT to set formulas that require, for example, that the Japanese build one automobile in a host country for every given number of cars they sell there.

Industries in which American firms suffer from unfair Japanese market restrictions include semiconductors, automobiles and auto parts, insurance and civil aviation. Several major corporations in my own State of Pennsylvania are being handcuffed.

Following my meeting with the Tokyo Embassy team, I took up trade issues in an hour-long meeting with Masaki Orita, Director General of Japan's North American Affairs Bureau. I told Mr. Orita there was a lot of anger in America, which I see almost every time I hold an open-house town meeting in Pennsylvania, that American markets are open to Japan, but Japanese markets are closed to America. I told Mr. Orita I did not agree with him that the atmosphere has improved on United States-Japanese trade, when we face a $59.5 billion deficit even though it has been reduced from $65 billion.

After our meeting, I asked Mr. Orita to pose for a photograph with me. As I prepared to snap the photo, Mr. Orita remarked with pleasure that my Olympus pocket camera was made in Japan. I told Mr. Orita that we believed in free markets, and were pleased to buy Japanese products, if they were the best available at the best prices. I said Japan ought to allow Kodak to compete with Fuji in its film market.

When my flash failed to fire, Mr. Orita immediately said the problem was with the batteries, and not with the camera. I told Mr. Orita that my batteries were also made in Japan.

I brought up trade again at my next meeting, with Kenzo Oshima, Deputy Director General of Japan's Asian Affairs Bureau. During our hour-long talk, we also focused on the North Korean situation and the prospect for Four Power Talks among the United States, North Korea, South Korea, and Japan.

Mr. Oshima told me he was apprehensive about North Korean military aggression.

North Korea is already over the line, I said. By legal definition, an arm raised in a threat to strike—or missiles massed on the DMZ—constitutes assault. The actual act of striking constitutes battery.

We agreed that food should be given to North Korea for humanitarian reasons, even at the risk that some of our contributions would be diverted to uses that increase friction on the Korean Peninsula.

On costs, I pressed Mr. Oshima that Japan should contribute more to the North Korean process, especially in light of an additional $25 million in United States aid recently approved by the United States Senate. Mr. Oshima promised a meaningful contribution from Japan, but would not offer a figure.

On Tuesday, August 20, we met in Seoul, South Korea, for 2 hours with Ambassador James Laney, members of the Embassy team, and Marine Maj. Gen. Frank Libutti. Our experts stressed that we faced a threat of miscalculation or desperation from North Korea. Ambassador Laney and General Libutti, like the experts in Japan, thought the North Korean regime was weakening, and was near destabilization.

Mr. Laney noted that the room where we were sitting at the United States Embassy in Seoul was 23.4 miles from the North Korean border. General Libutti added that a North Korean rocket could reach Seoul in less than 1 minute.

We also discussed efforts to find remains of the 8,000 United States soldiers unaccounted for during the Korean war. Until recently, those efforts have been stymied by North Korea's refusal to admit United States search teams. But recently, joint United States-Korean teams have found some remains.

I told Mr. Laney that South Korea should pay more of the costs of the protection it enjoys from the 37,000 United States troops stationed there. Under a 1954 treaty, the United States pledged to defend South Korea, a rare and sweeping commitment. I noted that Japan pays 70 percent of the cost of the United States forces within its borders, while South Korea now pays only one third of its cost, and is scheduled to pay an additional 10 percent each year. I told Ambassador Laney that I did not find that arrangement adequate.

We met next at Yongsan Garrison, headquarters of the combined United States-Korean force, for an hour with Gen. John Tilelli, the United States commander in chief. We discussed the North Korean threat and military strategy in some detail. General Libutti also attended and participated in that meeting. We discussed, in greater detail than I had with General Murray in Japan, the massive, 3-week war game that United States and its allies had just begun involving various scenarios of military conflicts with North Korea. I told General Tilelli I thought it was essential, apart from the game's value as training, to show the North Koreans that we are ready.

Afterward, we met with Ambassador Yoo Chong Ha, South Korea's Senior Presidential Secretary for Foreign and National Security Affairs. We had a somewhat tense conversation about whether South Korea could not share more of its defense costs. I pointed out that Congress was very uneasy about the amount of money we are spending in South Korea, and about the number of United States troops stationed there. I pressed Mr. Ha that South Korea should contribute more toward its own defense. I asked him why South Korea should not bear the entire cost of its defense.

Mr. Ha replied that South Korea is already buying substantial amounts of United States armaments, and is increasing its share of defense costs. Stating my own personal disagreement, I said that South Korea was not paying enough.

Our final meeting in Seoul was with South Korean Foreign Minister Gong Ro Myung. We talked at length about

North Korea's terrorist threat. I noted that North Korea remains on our terrorist nations list, which bars most United States contact.

While North Korea has not been charged with committing a terrorist act since 1987, Mr. Myung said he was investigating allegations that a North Korean agent had murdered a South Korean man in China just a week earlier, in mid-August.

On August 20, we traveled to Harbin, China, a sprawling city of 3 million in Heilongjiang Province. We were especially interested in visiting China's outlying provinces to get a feel for United States market potential. In Harbin, we continued our talks on trade. We were accompanied throughout by United States Consul General Carl Wycoff.

We met with Gov. Tian Fengshan, leader of the Heilongjiang Province, and discussed opportunities for development and American industry within his borders. The Governor said he was encouraging Americans and other foreigners to invest in his province, and was working on a cooperative agreement with the State of Alaska.

I met next with a group of American businessmen working in the Harbin area. They reported frustration with China's redtape. A fiberglass pipe manufacturer, for example, complained about Chinese requirements that he secure a separate permit for every shipment of the same type of imported materials.

We were warned that the Chinese often welcome innovators, learn their techniques, and exploit them or force them out.

In the evening, we attended a dinner with the Deputy Governor and several of his aides. We covered a gamut of subjects, including free elections and the democratic process. The Deputy Governor, proposed by the State committee, had been elected without opposition. In response to my question, he said he found Boris Yeltsin's recent campaign for President of Russia, including campaign stops at a disco, effective in appealing to voters.

On August 21, I met with the Vice-President and several professors at the Harbin Institute of Technology, all of whom had been among the first wave of Chinese academics who studied in the United States in the early 1980's. One computer science professor had briefly been one of my constituents, when he studied for 2 years at Carnegie Mellon University in Pittsburgh.

I toured the city, including stops at an open market and a western-style department store, and was struck by the strong demand for western mechanized goods, and the opportunity for American firms. I chose to visit Harbin largely because it was not a westernized southern port, which draws most foreign traffic and interest.

On August 21, we traveled to Mongolia, largely to investigate what the United States could do to foster the fragile democracy and market economy that only recently freed itself from the Soviet yoke.

Upon arrival in the evening in the capital city of Ulaan Baatar, we met with Chargé d'Affaires Llewellyn Hedgbeth, members of the Embassy team, Peace Corps Director Mark Zober, and three Peace Corps volunteers assigned to Mongolia.

In the morning, we met with the economic adviser to the Prime Minister, an American policy expert named Jim Bikales; with the Chief of the Mongolian National Intelligence Agency, Dalhjavyn Sandag; and with the Secretary of the Mongolian National Security Agency, Jargalsaihany Enkhsaihan. We discussed the host of economic travails threatening Mongolia's fledgling market economy, including a banking crisis that spurred a credit shortage; a budget crisis; and shrinking GDP growth.

We met next with Radnaasumberel Gonchigdorj, Chairman of the Hural, the Mongolian Parliament. Mr. Gonchigdorj said U.S. assistance is vital, especially for a Mongolian economy so weak that social services are an unaffordable luxury. I told the chairman that his country was a shining example of the trend toward democracy, and that we wanted to help, and would help, but faced a deficit problem of our own.

Asked for my suggestions, I urged the chairman and his colleagues to privatize as soon as possible the two-thirds of the Mongolian economy that they have not yet privatized.

Later in the day, we returned to the Government complex to meet with Prime Minister Mendsaihny Enkhsaihan, an economist by training. For almost an hour, we discussed primarily economic and fiscal matters. The Prime Minister told me his goal was to privatize 60 percent of state assets by the year 2000. I urged him, as I had urged Hural Chairman Gonchigdorj, to privatize the rest of the economy as fast as he could.

We spent the evening with Sanjaasurenglin Zorig, a key government leader who holds the title Chairman of the Standing Committee on State Structure, and several other members of the Hural. During a wide-ranging, 2-hour conversation, I urged Mr. Zorig, as I had urged the Prime Minister and Hural Chairman earlier, to privatize the rest of the economy.

I was struck to learn that Mr. Zorig and several of his colleagues had followed the 1991 confirmation hearings of Supreme Court Justice Clarence Thomas, which they had watched on then-Soviet television. I was heartened that they grasped, through the often-heated proceedings and Soviet censorship, the theme of judicial independence that we Americans prize.

From Mongolia, we flew to Beijing, China, on August 23 for a series of meetings with Chinese national leaders and with United States Ambassador James Sasser, a former Senate colleague, and his Embassy team.

My concerns included China's sales to Pakistan of M–11 missiles, which could potentially deliver nuclear warheads to India; Chinese ballistic missile tests near Taiwan; China's relationship with North Korea; our trade deficit with China; and human rights violations, including alleged persecution of Christians.

After an hour-long discussion with Ambassador Sasser and his experts, we attended a luncheon with Chinese Friendship Association President Lui Shuqing, who serves as an ambassador to American Government leaders. After much prodding, he allowed that China fired ballistic missiles within 100 miles of Taiwan as a warning to the breakaway republic not to go too far down the road to independence.

We met next for an hour with Vice Premier Qian Qichen, who also serves as China's Foreign Minister. Mr. Qian was also guarded, from the outset. Mr. Qian flatly maintained that China had not sold missiles to Pakistan in violation of international agreements, despite evidence and acknowledgments. ''We'll just have to disagree about that,'' I told the Vice Premier. I added that the Senate was considering taking action against China, including sanctions.

Mr. Qian said the Chinese opposed sanctions on principle, because they were unwarranted. He added that sanctions would not work against China, and were a two-edged sword that could hurt both China and the United States. On trade, the Vice Premier and I again reached an impasse. I maintained that a $35 billion trade imbalance was unacceptable. Mr. Qian dismissed the disparity as a matter of my statistics, which he said improperly included trade with Hong Kong. When I told the Vice Premier we were concerned about freedom of religion for Christians in China, he assured me that China allows freedom of worship for all sects.

We ended the day with a meeting, followed by a formal dinner, with Deputy Chief of Staff Lt. Gen. Cao Cangchuan, the equivalent to our vice-chairman of the joint chiefs of staff. Our substantive conversation focused on defense budgets and manpower allocation.

We traveled to Muscat, Oman, on August 24, to begin a series of Mideast stops, focusing on the Mideast peace process; the Khobar Towers bombing and terrorism; Iran's role in the region and its relationship with the United States; and Saudi Arabia's role in and reimbursement for its own defense.

After a briefing by Ambassador Frances Cook and members of her Embassy team, we met for an hour with Sayyid Badr, Chief of the Omani Office of the Foreign Minister. I complimented Mr. Badr for Oman's recognition of and rapport with Israel, including the two nations' exchange of trade representatives and Oman's lifting of its boycott against Israel several months earlier. Mr. Badr said Oman's relationship with Israel was complicated by Oman's need to maintain

relations with its Arab neighbors who were hostile to the Jewish State.

We began the morning of August 25 by having breakfast with Pennsylvanians on the Embassy staff. Afterward, I fielded questions from Omani journalists at an airport news conference, mostly offering my assessments on the prospects for Mideast peace and for combating terrorism. We have to be tougher with Iran, which may be sponsoring terrorism and fundamentalism, I told the reporters. On the issue of the June 25 Khobar Towers bombing, which may have been state-sponsored, I said terrorism today is an act of war, and we did not intend to be victims of acts of war without reprisal.

We spent August 25 in Dhahran, Saudi Arabia, inspecting the Khobar Towers Air Force apartments that were hit by the June 25 truck bomb, and discussing the situation with base commander Maj. Gen. Kurt Anderson, Brig. Gen. Dan Dick, Consul Gen. Doug Green, Capt. Rick Reddecliff of the Air Force Office of Special Investigations, and FBI and CIA officials. My staff and I conducted interviews, then held a detailed discussion at the Consul General's headquarters and toured the apartment complex. Afterward, I met with 20 officers and airmen who had been in Khobar Towers when the bomb exploded, including many who were injured.

Khobar Towers Building 131 was a horrible sight, more ghastly up close than even television or news photographs can convey. The building's front wall had been sheared off by the blast, exposing twisted wreckage and blood-stained walls. The wire fence in front of the building, the subject of so much controversy, measured 60 feet as I paced it off—far less than the 80 feet as previously reported.

The officers and airmen who had been at Khobar Towers on the night of June 25 described, calmly and precisely, how the blast blew out their windows, lacerating them with glass shards, and propelled them across their living rooms. I told them that the United States now has extraterritorial jurisdiction, based on a 1984 law that I helped draft, to investigate terrorist attacks against Americans anywhere in the world. I told them terrorism is a war, and that we would do our utmost to bring those responsible to justice.

We traveled to Riyadh in the evening, and discussed the Mideast situation with Chargé D'Affaires Theodore Kattouf, the Embassy team, and senior Air Force, focusing on Saudi Arabia's contribution to regional defense.

I expressed the opinion that Saudi Arabia, with its oil wealth, should pay more of the costs of United States forces committed to defend the kingdom, citing as an example Japan's 70 percent contribution to the cost of United States forces there. We have vital national interests in the Mideast, but it is, first, a Saudi property right that we are protecting. I noted there was great concern in the Congress about Saudi Arabia's refusal to let us interrogate the four suspects in the November 13 car bombing in OPM-SANG in Riyadh that killed five Americans.

In mid-morning of August 26, we flew to Jeddah for meetings with Saudi Crown Prince Abdullah bin Abd al-Aziz Saud and Saudi Defense Minister Prince Sultan bin Abd al-Aziz Al Saud.

In each hour-long meeting, we focused on the Khobar Towers bombing and Mideast terrorism. In response to my questions, each Saudi leader said some suspects had already been arrested in the Khobar Towers bombing, some had been released, and the process was continuing. I asked whether the Saudis would allow the CIA and FBI to interrogate suspects in the Khobar Towers attack when they are found, noting our concern that United States officials were denied the chance to interrogate the OPM–SANG suspects before they were beheaded. The crown prince was noncommittal, but the defense minister indicated such interviews would be permitted.

At each meeting, I asked whether the United States would be justified in taking military action against any nation which might be responsible for the Khobar Towers bombing. By reference, I cited our bombing raid against Libya in 1986, in retaliation for the German discotheque blast that killed two American soldiers and our missile attack on the Iraqi Intelligence headquarters following discovery of the Iraqi plan to assassinate former President Bush.

Neither agreed with such retaliatory action. The crown prince volunteered a reference to Hizbollah and said if Hizbollah is found to be involved, retaliation should be directed against them.

Each Saudi leader rejected my suggestion that Saudi Arabia exchange ambassadors or trade representatives with Israel. Such an exchange would work against peace, the defense minister said.

We traveled to Israel on the afternoon of August 26, and proceeded directly to a gathering in Tel Aviv for Israel's new ambassador to the United States, Eliahu Ben Elissar.

We began the next morning with an hour-long briefing from United States Ambassador to Israel Martin Indyk, focusing on the dynamics of Israel's new Likud Government and the challenges it faces, at home and from its Mideast neighbors.

From there, we met for an hour with Israeli Prime Minister Benjamin Netanyahu. Mr. Netanyahu said he wanted to begin peace negotiations with his Arab neighbors, and felt bound by the Oslo Accords that Israel's Rabin/Peres government had signed before Mr. Netanyahu took office, even though those agreements did not reflect Mr. Netanyahu's own position. The Prime Minister said, however, that he was not obligated to go beyond those contracts, which were vague. He said that friction with Syrian President Assad, among others, centered on differences over the extent of Israel's commitments.

Mr. Netanyahu said he was eager to get to the negotiating table with Syrian President Assad. I noted that years earlier, I had urged Mr. Assad, without success, to meet with Mr. Shamir when he was Israel's Prime Minister. Prime Minister Netanyahu asked me to carry a message to President Assad, whom I was scheduled to meet with the next day.

We next met for an hour with Natan Sharansky, the dissident and former Soviet prisoner turned Israeli Minister of Industry and Trade. Mr. Sharansky, whose immigrant party now holds seven seats in Knesset, said he wanted to accelerate immigration into Israel, but was contending with Israeli housing that, as he put it, took the worst from capitalism and socialism. I told him my father had immigrated from Ukraine to the United States as a boy in 1911, and that I understood the immigrant's position. We agreed that Russian Jews should have a choice where they emigrate, rather than being limited to Israel.

We met next with David Levy, the Israeli Foreign Minister. Mr. Levy said he was not satisfied that Palestinian Chairman Yasir Arafat was doing enough to combat terrorism. I told Mr. Levy that legislation I sponsored with Alabama Senator RICHARD SHELBY, which is now law, requires the Palestinians to crack down on terrorism and to delete references in their charter to the destruction of Israel, in order to receive $500 million in United States aid.

Mr. Levy replied that Mr. Arafat had told him the charter changes would have to go before a committee and would take 6 months. Mr. Levy said he told Mr. Arafat those efforts did not satisfy Israel. I told Mr. Levy I had pressed Mr. Arafat about the charter changes in the past, and that I would press him again when I met with the Palestinian leader later in the day.

I also asked Mr. Levy if he wanted me to convey any message to Syrian President Assad. Mr. Levy asked me to tell Mr. Assad to cease creating an atmosphere of terrorism, and that the Israelis were willing to enter direct negotiations with the Syrians without preconditions.

We met next with former Israeli Prime Minister Yitzhak Shamir. Mr. Shamir maintained unequivocally that Israel must be strong and hard in its negotiations with its Arab neighbors, or will get nothing. He inveighed against any Israeli concessions, including land for peace.

His position has always been the same, I told the former Prime Minister.

We met next with Infrastructure Minister Ariel Sharon, the former general. Mr. Sharon said Israel is struggling to accommodate an ongoing immigration in the face of increasing water shortages. One of Mr. Sharon's deputies said the water crisis is more

difficult than the Arab-Israeli situation. But Mr. Sharon, touting the education and skills of Israeli immigrants, said the desert nation would find a way to provide enough water for all its newcomers, even if a million Jews emigrate from the United States.

In response to a question about the controversy over a possible Israeli withdrawal from Hebron, Minister Sharon produced a map of the city and detailed the thousands of years of Jewish presence there. The minister stated that Israel would give the 100,000 Palestinians who reside in Hebron control of the city only under an arrangement that protects the rights and interests of the Jewish population there.

We ended August 27 with an evening meeting with Palestinian Chairman Yasser Arafat at Mr. Arafat's Gaza headquarters. Chairman Arafat opened our 90-minute session with a litany of complaints about his treatment by the Israelis, including the demolition of a community center earlier in the day.

I pressed Chairman Arafat about his obligations, under the Specter-Shelby amendment, to crack down on terrorism and to delete from the Palestinian charter all calls for the destruction of Israel, in order to receive the United States aid.

Chairman Arafat claimed that he had deleted all references to destroying Israel from the Palestinian charter, at great personal and political cost. He said he had cut so much from the Palestinian charter that nothing remained of the document, and that the charter would have to be redrafted, probably in November or December. The Chairman showed me documents that he said proved he had made the required changes. After reviewing those documents, I said the changes were insufficient. All that was said was that all references to Israel were revoked where inconsistent with the September 13, 1993 agreement.

Chairman Arafat told me he had been warned that Iranians would assassinate him for changing the charter. I asked Mr. Arafat what we could do to stop terrorism. He replied that it was very difficult. He suggested we pressure Libya through the United Nations, rather than by taking unilateral action.

The next day, August 28, we traveled to Damascus to meet with Syrian President Assad. Our meeting lasted 3½ hours. We focused on the Mideast peace process and on terrorism. I conveyed Israeli Prime Minister Netanyahu's message that Israel had only peaceful intentions toward Syria, that both sides should move immediately to reduce military tensions, and that Mr. Netanyahu wanted to reopen direct negotiations between Israel and Syria.

President Assad replied that Syria would not go back to the table until Prime Minister Netanyahu reaffirms the land-for-peace basis of negotiations, and agrees to pick up where Israel's previous Labor Government left off. President Assad dismissed current Syrian troop movements in Southern Lebanon as merely technical and routine, and not threatening. He rejected a Lebanon-first approach, the Israeli offer to negotiate the Israeli withdrawal from South Lebanon as a first step before re-opening bilateral peace talks.

I urged President Assad to sit down with Prime Minister Netanyahu, even if they seemed to have no common ground.

On the issue of terrorism, I told President Assad the American press had reported that the bomb-making materials used in the Khobar Towers blast had passed through Syria. He said that this was possible. He said it was unlikely that Iran was involved in the bombing. I urged President Assad repeatedly to share with us any information that he may get about the Khobar Towers bombing.

President Assad suggested the United States adopt a law-enforcement response to terrorism, rather than a military response. As for the Hizbollah and other terrorist groups reputed to operate within Syria, President Assad asserted he had no control over what some individuals do, and that it was inappropriate for the United States to ask Syria to go to war against these groups, even though Syria had the power to destroy them. Hizbollah considers itself to have the political and religious duty to liberate its land, President Assad said, and has taken a leading role in the struggle with Israel.

After returning to Israel in the evening, I met again with Israeli Prime Minister Netanyahu, to brief him on my discussion with President Assad, and telephoned Foreign Minister Levy for the same purpose.

We made a final stop in Paris on the way back to the United States, to explore the French and European response to terrorism and France's relationship with Iran and the Middle East.

We met for an hour with French Interior Minister Jean Louis Debre, who is roughly equivalent to the United States Attorney General, and at length with United States Ambassador Pamela Harriman and her Embassy team.

Madam President, there is a great deal more to be said, but I know colleagues are awaiting floor time for morning business. So I will conclude this summary, noting that a much more extensive comment than my floor statement is contained in the Pittsburgh Post-Gazette. I ask unanimous consent to have printed in the RECORD, at the conclusion of my remarks, an article which I wrote for the Pittsburgh Post-Gazette.

I yield the floor.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Pittsburgh Post-Gazette]

HOST NATIONS MUST COVER MORE COSTS OF U.S. TROOPS ABROAD

(By Arlen Specter)

The truck bomb that killed 19 Americans at the Khobar Towers Air Force apartments June 25 has left Building 131 a faceless, four-story mass of twisted wreckage and blood-stained walls that bakes in the Saudi Arabian sun. The destruction is more grisly up close than in any news photograph, as I discovered last month while inspecting the complex during a Senate Intelligence Committee trip to Asia and the Mideast.

After a total of 24 Americans were killed in Saudi Arabia in the Khobar Towers bombing and in a 1995 terrorist blast at a U.S.-run training facility in Riyadh, our troops are moving from Dhahran to Kharj, in the middle of the desert. The relocation will cost an estimated $200 million, and Defense Secretary Perry has arranged with the Saudis for each nation to pay half the cost.

Saudi Arabia is not an isolated situation. Around the globe, American troops in harm's way defend our vital national interests, such as Saudi oil, while protecting our host nations and their interests in the process. We cannot, of course, put a price tag on the lives and limbs of our young soldiers cut down by terrorist bombs. But we can, and should, ask our allies to shoulder more of the cost and responsibility for defending them and their property.

While the number of U.S. troops deployed around the world has sharply declined since the height of the Cold War, the United States still spends huge sums and deploys thousands of troops on foreign soil, while facing massive deficits at home. Several nations I recently visited, including Saudi Arabia, South Korea and Japan, could pay the entire cost of our defense efforts on their soil, or at least more of it. If we toughen our bargaining position, we certainly can get a better deal.

In each country I visited on my recent trip, I asked if there was any reason the host nation could not pay its entire defense bill, including the cost of U.S. forces committed to that nation's defense. Generally, our embassy experts shook their heads and said there was not. The foreign leaders disagreed, offering statistics about the volume of U.S. arms they buy, their incidental expenses such as land values of U.S. bases, and their own budget deficits. I found their arguments unconvincing.

At an absolute minimum, we should bill host nations for 70 percent of our costs of defending them, following the formula we apply with Japan. And in Japan, which has a $4.5 trillion economy, and in many other countries, the share should be higher.

Saudi Arabia is an extreme case. Between World War II and 1975, the United States gave Saudi Arabia a total of $328.4 million in economic and military aid, according to the U.S. Agency for International Development. We trimmed and ended this largesse as oil revenues filled Saudi coffers. But we still post 5,000 U.S. troops on Saudi soil.

''The sovereign independence of Saudi Arabia is of vital interest to the United States,'' as President Bush said in 1990, after Iraq invaded Kuwait. If a hostile nation seized Saudi oil wells, the largest reserve in the world, the American economy and world markets could tumble.

That state of affairs should stimulate debate in the United States on the dangers and disadvantages of reliance on Mideast oil, on exploring alternative sources of energy, on conserving oil and gas, on lower speed limits, and perhaps even on higher taxes for oil and gas to stimulate conservation. It is not a reason for us to bear the bulk of the Saudi defense burden.

Why shouldn't the Saudis foot the whole bill? Why shouldn't they at least pay the entire $200 million cost of relocating our troops to safer ground, after terrorist bombs murdered two dozen Americans? As The Washington Post reported, ''On the scale of Saudi Arabia, which has paid out about $50 billion

to nations that fought in the 1991 Persian Gulf War, the extra $100 million amounted to a modest commitment, whatever reservations the Saudis may have.''

We never went into the Persian Gulf War expecting to remain a permanent presence. At a recent meeting with Secretary Perry, Senator Sam Nunn of Georgia, one of the Senate's most respected voices on military matters, noted that we deployed troops to the Persian Gulf on an emergency basis, expecting the Saudis to take over. At that meeting, Senator Nunn said the Saudis could afford the military hardware and could recruit troops to provide for their defense.

To add insult to injury, several nations are skinning us on trade, while also skinning us on defense costs.

Saudi Arabia, for example, is our largest trading partner in the Middle East. In 1994, the last year for which figures are available, the Saudis exported an estimated $8 billion to the United States and imported an estimated $6.4 billion from us, for a trade deficit of $1.6 billion.

The United States has played a major role in fostering South Korea's massive economic growth, to the point that South Korea is now the world's 11th-largest economy. But South Korea retains obstacles to free trade and restrictions on market access, and poorly protects intellectual property rights, all of which costs U.S. firms and U.S. workers.

Meanwhile, South Korea pays only one third of the $900 million annual local-currency cost for the 37,000 U.S. troops stationed on its soil. South Korea spends millions on its own long-term military preparations, while we handle and finance the lion's share of day-to-day defense.

Our whopping $59.5 billion trade deficit with Japan fuels our budget deficit. In Japan, American companies find themselves competing for small portions of various markets, or find themselves shut out entirely, as networks of Japanese firms buy only from each other, while enjoying the profits as American firms buy from them. Several major corporations in Pennsylvania are being handcuffed.

Meanwhile, the United States stations 47,000 troops in Japan, at a cost of more than $8 billion per year. The Japanese government contributes almost $5 billion per year. But total Japanese defense spending represents less than 1 percent of Japan's GNP, compared to the 4 percent of our GNP the United States spends on defense.

I am not suggesting that we turn American troops into mercenaries, or that Saudi Arabia or most other host nations could defend themselves alone as well as we can jointly defend them. But there must be equity. There must be shared responsibility.

After inspecting Khobar Towers last month, I met with 20 officers and airmen who had been in and around the complex when the 5,000-pound truck bomb went off. For an hour, in turn, these men and women calmly recounted their own injuries and the efforts, by those who were able, to aid more seriously wounded comrades and to remove bodies. At the end of our talk, a young captain said that despite all we do in Saudi Arabia, our troops are not even allowed to fly the American flag above the U.S. compound. Something is wrong, he said.

I agree.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. COVERDELL. Madam President, I ask unanimous consent that the hour to which I was assigned begin at 1:10, and conclude at 2:10.

The PRESIDING OFFICER. Without objection, it is so ordered.

## TAX REFORM AND TAX RELIEF

Mr. COVERDELL. Madam President, it is our intention during the hour under our control to continue the discussion of the importance of tax reform and tax relief for the American people at this time in which they are bearing the highest tax burden in American history. We have been joined by my distinguished colleague from Wyoming. I yield up to 10 minutes to the Senator for the purpose of expounding on this subject.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. THOMAS. I thank the Senator from Georgia for setting up some time to talk about the issue that most of us talk about all the time, and that is taxes. It is an issue we should talk about. It is an issue that cuts very deeply into our lives. We spend an average of nearly 40 percent of our income on taxes at various levels. So it is something we ought to talk about.

I think part of the focus today—I talked about this earlier, as a matter of fact—is on the philosophical idea of taxation, whether you have less or more, whether you have smaller government or larger government, and that is a choice. But, more specifically, I think this hour was to look a little bit at simplification, to look a little bit at the difficulty of collection, to look a little bit at some of the debates and discussions that go on with respect to the IRS. Many people are very disillusioned with the IRS, and I do not defend that agency particularly, but I do tell you basically you have to have a simplification of taxation if you are going to have simplification of collection. Probably there is nobody here who would disagree with that. But it never seems to happen.

Every year we talk about simplification. Every year we talk about making it easier. But we keep going on. The current tax system is a mess. It is extremely difficult. It is a result of probably 80 years of debate and discussion and, frankly, abuse, by lawmakers, by lobbyists, by special interests—perhaps unintentionally. But, in any event, I think no one would argue with the fact that we have, now, a tax system that is extremely difficult, extremely cumbersome, extremely ineffective and unfair. It is certainly too complex and much too costly. And of course the tax system itself punishes the idea of investment, punishes the idea of incentive, punishes the idea of saving. And all those things go together.

I have already mentioned the figures. We pay nearly 40 percent. That is an astounding figure, really, in terms of a working family who—most families are working families—has to work until late May to pay their taxes.

Mr. COVERDELL. Madam President, I wonder if the Senator will yield for a question?

Mr. THOMAS. Certainly.

Mr. COVERDELL. In this debate about the working family there are two figures that are constantly quoted. One is 40 percent. I typically use 50. I wonder if the Senator would agree, when you add on the regulatory costs and that family's share of higher interest rates because of the national debt, you end up with another $9,000 coming out of the checking account of the average family. It really takes it to over 50 percent, dealing with the cost of government.

Mr. THOMAS. I am sure that is correct. And it is an even more astounding figure than we have.

It is set up so we do not think about it a lot. I do not object to the idea of withholding. It is probably the only way to do it. But withholding sort of slips in there and you hear people talking all the time, ''Well, gee, I got money back.'' It is my money. It is my money. Back from where?

Anyway, it is a very high figure. But it seems to me—and I wanted to focus on this, and I am going to speak for just a few minutes about this—it is too complicated, much too complicated, and too difficult to figure. Again, an estimate is 4.5 billion hours a year are spent in the preparation of tax returns. That is an astounding number as well.

Each of us knows how difficult it is to figure our taxes. They are too hard to enforce. The more complicated, the more difficult it is in the tax system, obviously it is more difficult to enforce. And enforcement is important. You have to ensure that, when you have a tax system, that everyone is treated fairly in that tax system, that everybody contributes what under the law they are supposed to contribute. So the tax system makes it most difficult.

Probably there are too many loopholes. They are often called loopholes. The fact is, over time, the Tax Code has been used to affect behavior. When we wanted someone to do something we changed the taxes and made it an incentive to do it. So we have all these series of things which have very little to do, frankly, with paying taxes. They actually have very little to do with the fairness of taxation, but have more to do, in fact, with seeking to modify behavior. Maybe that is a legitimate function of taxes. But I can tell you, it makes it much, much more difficult. It probably makes it much, much more unfair, in terms of the total collection.

I think we had, this year, as an example, a real demonstration of how frustrated people are when there was the kind of discussion and acceptance, frankly, of the so-called flat tax. Obviously the most attractive thing about a flat tax was the ease with which it could be collected. There is argument about the fairness of it. Those who have studied it feel it is even more fair. I do not argue with that.

Politically, it probably is not going to happen. There are some things like homeowners' interest and those kinds of things that are going to be very difficult, politically, to change. The argument is, of course, if I am an investor in your company and you pay me a dividend, that dividend has been paid after